# Analysis of Village Potential Through the Establishment of Village Owned Enterprises (BUMDesa) in Bantul Regency

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## Analysis of Village Potential Through the Establishment of Village Owned Enterprises (BUMDesa) in Bantul Regency

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#### Abstract

The village government is at the forefront of development. With the existence of Village Law No.6 of 2014 with a budget of billion rupiahs each year in the form of APBDesa, which must be properly allocated for the benefit of the community both in the infrastructure development sector and community empowerment, one of which can be accommodated through Village-Owned Enterprises (Bumdesa). The existence of this BUMDesa is expected to be able to encourage economic life in the countryside with the aim of increasing the village economy and increasing the income of the village community. This study aims to identify the business units of BUMDesa established in Bantul Regency based on the existing potential in the Village. The research method is descriptive qualitative using a survey of a total population of 75 villages, which were identified only 38 villages that have BUMDesa, and only 32 villages for which BUMDesa data is available. This means that 50 percent of all villages have implemented community welfare programs with the BUMDesa establishment mechanism. This is possible because some village communities do not understand the meaning of BUMDesa, which can be used for poverty alleviation, even though there have been many successful Bumdes in Bantul Regency. From the results of the analysis, it was found that most of the villages had taken advantage of the potential of their villages. From the survey results, there were 18 villages that had more than 1 (one) business unit, and a total of 14 villages where BUMDesa had only one business unit. Of the 32 BUMDesa in Bantul, which are developed and independent, only three are BUMDesa in Panggungharjo Village, Srimartani Village, and Srigading Village.

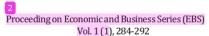
Keywords: Village-Owned Enterprises (Bumdesa).village potential



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#### I. INTRODUCTION

Currently, the village government is at the forefront of development because the central, provincial, and regional governments allocate budgets directly to the village government account for later use. This must be used properly by the village government. The existence of Village Law No.6 of 2014 with a budget of billions of rupiah each year in the form of APBDes, which must be properly allocated for the benefit of the community both in the infrastructure development sector and the empowerment of community human resources.



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One of the ways to empower the community is through Village-Owned Enterprises (Bumdesa). In accordance with the mandate of Permendes Number 4 of 2015, the village government must establish a Bumdesa with the aim of improving the village economy and increasing the income of village communities. The existence of this BUMDesa is expected to be able to encourage economic life in rural areas. The existence of this rule made the government able to start establishing Village-Owned Enterprises and began to apply it to villages or under other names that were equivalent to villages. This Law on Villages is expected to accelerate development in the Village. Many of the phenomena that occur are not felt by the village community. Developed and independent Bumdesa usually involve the wider community, such as managing tourism objects and exploiting village potentials such as in the fields of culinary, art creation, and waste management. Many of the management and movements of Bumdesa are extraordinary that can provide quite a lot of income to the village income, but there are still many who are not operating their BUMDesa.

Pemdes and BUMDesa managers should be able to explore the potential of their area by involving the community so that they can be empowered and can improve their economy. So it is hoped that this potential can be explored for the progress of the village community. Based on phenomenon 1). there are still many villages that do not have information about the establishment of BUMDesa, 2). There are still many bumdes only established but unsuccessful in their operations, so this study aims to analyze in detail the potential of the Village seen from the various business units that have been developed by BUMDesa in Bantul Regency.



#### Priority Program for the Use of Village Funds

The Village Law encourages villages to always make improvements in all aspects of development. Priority programs for the use of village funds are prioritized for the implementation of activities in the field of development and empowerment of village communities. The priority of using the Village Fund must provide maximum benefits for the Village community in the form of improving the quality of life, improving welfare, reducing poverty, and improving public services.

- Improving the quality of life of the Village community is prioritized to finance the implementation
  of programs and activities in the field of basic social services, which have a direct impact on
  improving the quality of life of the community.
- 2. Increasing the welfare of the Village community
  - a. finance the implementation of cross-activity programs
  - b. creating sustainable jobs
  - c. increase economic income for poor families
  - d. increase the Village's original income
- 3. Poverty alleviation is prioritized for:
  - a. finance poverty alleviation programs;
  - b. updating poverty data;
  - c. carry out cash-intensive and family economic acceleration activities to provide employment opportunities;
  - d. provide business capital and training for rural people who are unemployed, underemployed, poor families; and
  - e. do the prevention of chronic malnutrition (stunting).

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 Increasing public services are prioritized to finance the implementation of programs in the health, education, and social sectors.

#### Village Unit Business Entities (BUMDesa) Establishment

In accordance with the Bantul Regency Regulation No.3 of 2016, the establishment of BUMDesa is to accommodate all activities in the economic sector and / or public services managed by the Village and / or cooperation between villages. The objectives of establishing a Village BUM are (a) to be able to improve the village economy, (b) optimize village assets to be useful for the welfare of village communities, (c) increase community efforts in managing the economic potential of the Village, (d) and develop a business cooperation plan between villages and / or with third parties, (e) creating opportunities and market networks that support the public service needs of citizens, (f) creating jobs, (g) increasing community welfare through improving public services, growing and equitable village economy, and (h) ) increase the income of the village community and the Village's original income. Villages can establish BUMDes based on Village Regulations concerning the Establishment of BUMDesa. Several considerations in establishing a BUM Desa include:

- village government and / or village community initiatives;
- 2. village economic business potential
- 3. natural resources in the Village
- 4. human resources capable of managing BUM Desa; and
- capital participation from the village government in the form of village financing and assets that are submitted to be managed as part of the BUM Desa business.

BUM Desa can be in the form of a village company or a private company. The formation of BUM Desa is stipulated by village regulations regarding the formation of BUM Desa. The village regulations contain, at least.

- 1. Establishment
- 2. Form of Village Unit Business Entities (BUMDesa)
- 3. Equity capital
- 4. Type of business
- 5. Board of Management
- 6. Sharing of Business Results
- 7. The mechanism for the dissolution of Village Unit Business Entities (BUMDesa).

#### III. RESEARCH METHODOLOGY

This study aims to identify the potential and opportunities for the formation of BUM Desa in Bantul Regency. To achieve this goal, a qualitative research method was used to identify data descriptively. The technique of collecting data was carried out by observation, interviews, and documents that were analyzed using qualitative descriptive analysis techniques.

#### IV. FINDING AND DISCUSSION

This research was conducted in 32 villages that have BUMDESA from the entire population consisting of 75 villages. The following is a table of village population data in Bantul:

Table 1

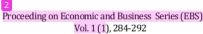
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#### Village Population Data in Bantul Regency

No	Sub District	Village
1	Banguntapan	8
2	<u>Jetis</u>	4
3	Pleret	5
4	Bambanglipuro	3
5	Sewon	4
6	Imogiri	8
7	Kretek	5
8	<u>Sanden</u>	4
9	<u>Srandakan</u>	2
10	Sedayu	4
11	Pandak	3
12	Pajangan	3
13	Kasihan	4
14	Piyungan	3
15	<u>Bantul</u>	5
16	Pundong	3
17	Dlingo	6
	Total: 17 District	75 village

Based on the data that was successful in the survey, not all villages have BUMDesa, and from the results of the data collection, only 32 villages from 75 villages in Bantul have BUMDes, with varying business specifications (Table 2). In accordance with Permendesa BDTT no.4 of 2017 concerning amendments to Permendesa PDTT no.22 of 2016 concerning the determination of priority for the use of village funds, it states that the priority for the use of village funds is to finance the implementation of programs and activities in the field of village development and empowerment of village communities. The mechanism for setting priorities for the use of village funds is part of allage development planning that is not separate from national development priorities. Priority for the use of village funds is prioritized for the implementation of cross-sectoral programs and activities. The programs and activities referred to are prioritized in the field of BUMDesa or Joint BUMDesa activities, embungs, superior village products, or rural areas and village sports facilities. (2) Priority for the use of village funds, as referred to in paragraph (1), shall be published to the community by the village government in a public space or space accessible to the village community. The following table 2 shows the priority programs of the villages in Banguntapan sub-district, Bantul district.



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Table 2.Priority program for the use of village funds in the field of BUMDesa activities

	Village	Sub District	Name of bumdes	Specification for BUMDesa business unit	
1	Baturetno	Banguntapan	Baturetno	Village lake for rainfed and tourism     Culinary     Freshwater fish center	
2	Wirokerten	Banguntapan	Wirajaya makmur	Paving blocks     Craft knit shoes     Processing of mlinjo empling     Garbage bank     Hydroponics     Services 2	
3	Ringinharjo	Bantul	Ringinharjo	Carving services (many types of businesses) Tempe begun Clay tile Bamboo crafts	
4	Trirenggo	Bantul	Senyum trirenggo	Crafts UMKM (kelor product) Culinary travel	
5	Sembermulyo	Bambanglipuro	Sumbermulyo Mandiri	The manager of an independent embung for rural agriculture	
6	Mulyodadi	Bambangliporo	Mulyo Nugroho	BPNT distributors     Cash withdrawal / deposit / tax     electricity payment services:     for central government social security holders. Family Hope Program	
7	Sidomulyo	Bambanglipuro	Sidomulyo Maju	Savings and loan services     Gas trading	
8	Dlingo	Dlingo	Giritama	Supermarket	
9	Mangunan	Dlingo	Mangunan	Water byur     Hangers     Truck rental services	
1 0	Girirejo	Imogiri	1.Manahani girirejo 2. Desa Mart Bumdes	Religious tourism     Craft tours     Pisanga tourism	
1	Kebonagung	Imogiri	Desa mart kebonagung	Modern self-service shop	
1 2	Selopamioro	Imogiri	Mekarjaya	Travel	

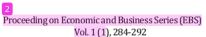
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1	Wukirsari	imogiri	Wukirsari	Travel
3				
1 4	Sumberagung	Jetis	Sumber agung	Herbal and food preparations
1 5	Tirtohargo	Kretek	Tirtohargo	Mangrove tourism
1 6	Tirtonoimolo	Kasihan	Sedya makmur	savings and loans (best bumdes)
1 7	Bangunjiwo	Kasihan	Mbangun kamulyan	pottery, wood, keris, batik
1 8	Sendangsari	Pajangan	Sendangsari	Wooden batik krebet craft
				2. Homestay
1	Pleret	Pleret	Pleret makmur	1. Village market
				Savings and Loans Village Economic Enterprises (UEDSP)     general trading business     providers of agricultural, livestock and fishery needs     Waste processing services     Online payment services     Travel and tourism services
2	Segoroyoso	Pleret	Sedoroyoso	Herbal medicine
0				2. Livestock
				3. Horse satay
				4. Rambak skin
2	Bawuran	Pleret	Bawuran	1. Service unit
1				Waste processing unit     Travel
2	Sitimulyo	Piyungan	Mandiri Sejahtera	
2				Superior quality rice & eggs, always new, spacious n comfortable waiting place     Can be used for PKH disbursement     Serving Payments: PDAM, BPJS, Electricity, All Operators Toll, Airplane Tickets, Kreta Api Tickets, etc. credit installments.     Serving very light interest loans.

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				5. BNI Piyungan branch, serving interbank transfers, opening accounts, cash withdrawals
2 3	Srimartani	Piyungan	Srimartani Makmur	Village market manager
3				2.Umkm product showcase
				3. E-warung services
				4. 3R integrated waste
				processing
				5. Modern horticultural farming
				laboratory
	0 . 1	D:		6. Clean water treatment
2	Srimulyo	Piyungan	Srimulyo Arta Mandiri	1. Village bank
'			- Triancini	2. Unmanned shop
				3. Catering
				4. Waste processing
2	Argorejo	Sedayu	Argorejo	1. Tourism (GOA and River)
5				
		0.1		2. Agriculture
6	Argomulyo	Sedayu	Argomulyo	1. Travel
0				2. Herbal medicine house
				3. Suharto museum
				4. Waste and used cooking oil
				management
2	Gadingsari	Sanden	Gading	Beach tours
7	Murtigading	Sanden	Gading	Beach tours
8	Wuitigading	Sanden	Gaung	Beach tours
2	Gadingharjo	Sanden	Gading	Beach tours
9				
3	Srigading	Sanden	Gading	Beach tours
3	Panggungharjo	Sewon	Panggung Lestari	1. Waste processing
1				0.77-11:
				2. Used cooking oil processing
				3. Campground
				4. Curiner tours (Matraman village)
				5. Nyamplung oil processing
3	Trimurti	Srandakan	Trimurti Lestari	Cardboard waste manager
2	5			(handicraf)

Based on the analysis of table 2, the use of village funds shows that there are still many villages that do not implement priority programs in tourism programs, thus indirectly increasing empowerment for village communities. This is in accordance with the priority scale for using village



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funds for community empowerment programs. According to the instructions in the PDTT Permendesa Regulation No. 4 of 2017, the formation of BUMDesa is in accordance with the potential of each Village. 15 Bumdesa out of 32 villages that have BUMDesa have natural tourism business units that are in accordance with the potential in their area. Based on survey data, there are 18 villages that have more than 1 (one) business unit, and a total of 14 villages that have only one business unit. Of the 32 BUMDesa in Bantul, which are developed and independent, only three are BUMDesa in Panggungharjo Village, Srimartani Village, and Srigading Village. Bumdesa in Sri Martini village has six business units, namely: village market management, MSME product window displays. Eshop services, integrated 3R waste processing, modern horticultural farming laboratories, and clean water treatment. Meanwhile, Panggungharjo village has waste processing business units, used cooking oil processing, camping ground, curator tours (Kampung Matraman), and sampling oil processing.

Village Owned Enterprises (BUMDesa) Panggungharjo Sewon Bantul, during 2019, was able to generate a profit of Rp 53 billion to be used as village income. Even though it seems like a trivial matter, it turns out that BUMDesa, if managed professionally, is able to contribute tens of billions of funds to villages. This success is in line with the facts for Panggungharjo, which should be exemplified for other villages. (Fajar, 2019). To be able to excel, BUMDesa certainly requires hard dedication and strong determination to work. In addition, it is also due to the generosity between the Village Government, the Village Consultative Body (BPD), and the community, including the local UMKM actors. With this success, it is hoped that all villages can imitate what Panggungharjo has done. This means that you don't feel ashamed and proud to study at BUMDesa Pangungharjo for the sake of the progress of the Village. If all the villages in Bantul Regency, which number 75 villages, can revive BUMDesa, then Bantul's economic level is believed to be strong. In addition, developing BUMDesa is also one of the Bantul Regency Government programs to strengthen the economy of its people.

#### V. CONCLUSION AND FURTHER RESEARCH

Survey data there are 18 villages that have more than 1 (one) business unit, and a total of 14 villages that have only one business unit. Of the 32 BUMDesa in Bantul, which are developed and independent, only three are BUMDesa in Panggungharjo Village, Srimartani Village, and Srigading Village. Meanwhile, of the 75 villages that have bumdes, only 38 villages, and from the results of the research survey identified and sampled, only 32 villages were recorded as having active BUMDesa. This means that 50 percent of all villages have implemented community welfare programs with the BUMDesa establishment mechanism. This is possible because some village communities do not understand the meaning of BUMDesa, which can be used for poverty alleviation, even though there have been many BUMDesa who have succeeded in Bantul Regency.

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